

Ohio Senate Senate Building 1 Capitol Square Columbus, Ohio 43215 (614) 466-8068 Committees:

Public Utilities, Chair
State Government Oversight and Reform, Vice-Chair
Civil Justice
Criminal Justice
Energy and Natural Resouces
State and Local Government
Finance - Corrections Subcommittee

Bill Seitz State Senator 8th District

June 25, 2015

The Honorable Tom Wheeler Federal Communications Commission Chairman 445 12th Street SW Washington, DC 20554

Re: Expanding the Economic and Innovation Opportunities of Spectrum

through Incentive Auctions, Docket No. 12-268; Policies Regarding

Mobile Spectrum Holdings, WT Docket No. 12-269

Dear Chairman Wheeler:

As Chair of the Ohio Senate Public Utilities Committee representing the interests of my Senate District 8 constituents and all Ohioans, I am writing to express my concern regarding the 600 MHz incentive auction scheduled for early 2016.

As in many other states, Ohio has deregulated much of the telecommunications industry which has spurred investment in new advanced communications technologies such as wireless broadband. While most consumers have benefitted from advancements in communications service offerings, the basic premise underlying deregulation is that robust competition amongst multiple providers would constrain the biggest providers from overcharging consumers or inhibiting innovation by smaller providers eager to please their consumers.

Today, consumers are relying more than ever on their mobile smartphones and other devices to communicate and access the internet. My constituents need and want multiple competitive choices in the wireless broadband market, and this incentive auction is critical to the future competitiveness of that market. The fact that the two largest wireless providers currently control 74% of available low band spectrum is problematic, and I urge the Commission to adopt auction rules that do not enable the largest two carriers to increase their grip on this finite spectrum resource.



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The State of Ohio has a state law that favors small businesses when state contracts are bid to promote competition and job growth. I understand the spectrum reserve proposal suggested by the smaller carriers would similarly promote competition in the wireless broadband market. Thus, I encourage the Federal Communications Commission to adopt auction rules that will ensure that multiple facilities-based competitors have a meaningful opportunity to secure low-band spectrum through this auction. The greater number of facilities-based wireless competitors having critical low-band spectrum resources in their spectrum portfolio means expanded customer choice, increased investment, greater efficiency, and more innovation throughout the wireless broadband market, all of which will help protect consumers in the Ohio communications market.

I am confident the best way to promote wireless broadband competition is to increase the amount of the spectrum reserved for smaller providers in the 600 MHz incentive auction. If you increase the size of the reserve from 30 MHz to 40 MHz of spectrum and allow a modest auction bid price preference to the smaller providers on that additional 10 MHz, you will enable smaller competitive carriers to offer the types of robust wireless broadband services that consumers demand.

This incentive auction represents what is likely the last opportunity for any wireless service provider to acquire low-band spectrum in the United States. Conducting the incentive auction in early 2016 as scheduled while adopting policies that enable multiple smaller facilities-based competitors to secure meaningful quantities of low-band spectrum promises to protect consumer choice and innovation in the wireless broadband market for years to come.

Sincerely,

William J. Seitz



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CC: Commissioner Mignon Clyburn

Commissioner Jessica Rosenworcel

Commissioner Ajit Pai

Commissioner Michael O'Rielly